

ARIZONA VETERANS TASK FORCE

Wednesday, October 5, 2005 - 1:00 p.m.
Governor's 2nd Floor Conference Room
1700 W. Washington - Phoenix, AZ 85007

MINUTES

Call to Order

Chairman Pat Chorpenning called the meeting to order at 1:00 p.m.

Roll Call

The following members were present:

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|---------------------------------|-------------------------------|
| ➤ Patrick F. Chorpenning, Chair | ➤ Rebecca J. Phifer, Co-Chair |
| ➤ Joe P. Bibich | ➤ Dora Schriro |
| ➤ George J. Heaney | ➤ Joan E. Sisco |
| ➤ Avtar Khalsa | ➤ Caryn R. Walsh |
| ➤ Ezra Loring | ➤ Gary M. Yaquinto |
| ➤ Georganna Meyer | |

Approval of Minutes

The minutes of the September 9, 2005 meeting were approved as written.

Opening Remarks

Chairman Chorpenning welcomed the Arizona Veterans Task Force members and guests to the meeting. Jon Gardner, Director of the Southern Arizona Veterans Health Care System (SAVAHCS), was thanked for coming up from Tucson. The following veterans services organizations were represented:

- American Legion
- Disabled American Veterans
- Jewish War Veterans
- Korean War Veterans
- Military Order of the Purple Heart
- Vietnam Veterans of America

Other attendees recognized:

- Webb Ellis, Chairman of the Arizona Veterans' Service Advisory Commission
- Fred Ferguson, Medal of Honor Recipient and Deputy Director of the Arizona Department of Veterans' Services
- Jon Skelly, Deputy Director of the VA Regional Office in Phoenix
- Russell Jones, District 24, Arizona House of Representatives

State Veterans Homes

Mark Laney, Admissions/Marketing Director for the Arizona State Veteran Home (Arizona Department of Veterans' Services) provided a briefing on the State Veteran Home program. In addition to briefing the Task Force on requirements for admission and the services currently available in Phoenix, Mr. Laney discussed the need for additional state veteran homes. Veterans comprise 15% of Arizona's population, and 39% of them are over the age of 65 years. By the year 2020, Arizona is projected to have the highest proportion of elderly citizens in the nation.

The proposed Tucson facility will be designed differently from the Phoenix facility, and there will be operational differences due to partnerships formed with the Southern Veterans Administration (VA) Health System and the University of Arizona Medical School. Certain administrative functions (business office, human resources, and purchasing) will be provided from the Phoenix facility, minimizing costs to operate the facility. The Tucson facility, like the Arizona State Veteran Home in Phoenix, will be financially self-sustaining.

Questions/Comments:

Q: Have there been any attempts to correct design flaws in the Phoenix facility design?

A: Yes, but the financing without any General Funds has been a challenge. The agency has four grants under consideration now by the VA (where VA will fund 65% of the costs if the Home will fund 35% of the renovation costs). One grant is to build the Tucson Home and three are to renovate the Phoenix facility. The \$1.5 million in the Veterans Trust Fund is woefully insufficient to pay the 35% cost of the Tucson veteran home, but will be held in reserve to pay the Home's portion of the three renovation grants.

Q: Is there a risk that the VA will not fund construction of the Tucson home, even after the \$10 million match has been appropriated?

A: There are obviously no guarantees that the VA will fund the grant once the \$10 million has been set aside in a fund specifically to build the Tucson Home. However, it is a certainty that the VA will not consider the grant application until such time as the \$10 million has been committed to build the Home.

Q: Have you considered what effect inflation will have on the building cost estimate of \$28 million? The construction cost estimate was determined in spring of 2004 and you may need to consider increasing the construction cost to \$30 million.

A: That may need to be part of the Task Force's recommendations.

Q: When does the VA decide on grants and when would those funds be available?

A: If the VTF recommends that we appropriate \$10 million for the Tucson Home, we will need to have the commitment during the 2006 Legislative session. The VA will be notified after the funds have been committed by the Legislature and will determine which requests will be granted in the fall of 2006. Selection of an architect can occur immediately upon notification of funding.

Q: How would you respond if construction costs are higher than the available funds?

A: There are certain design features that can be eliminated without dramatic impact to the care provided to residents. The number of beds may also be reduced, although this is the least desirable option.

Q: Do you have any idea how the costs to build the Tucson home compare to a non-veteran long-term care facility?

A: All construction costs would have to be competitively bid, so the costs would be comparable to the private sector.

Q: Staffing needs for the Tucson facility must be developed simultaneously as the construction plans are being developed. Have you started to plan?

A: The new Tucson state veterans home will be useless to the veterans of southern Arizona if it is not adequately staffed by properly trained personnel. There are plans to develop Certified Nursing Assistant training programs and significant outreach programs under development to secure the staff required to run the Tucson Home.

Southern Arizona Veterans Health Care System (SAVAHCS)

Chairman Chorprenning formally introduced Jonathan Gardner, Director of the Southern Arizona Veterans Health Care System (SAVAHCS). Mr. Gardner testified that he has committed over 7 acres of land on the Tucson VA Medical Center campus to be used as a state veteran home. Additionally, Mr. Gardner spoke of his intent to refer discharged veterans to the state veterans home to ensure occupancy of the facility.

Mr. Gardner provided an overview of the areas of his responsibility and provided reasons that the state veterans home should be placed on the campus of the Tucson VA:

- Patient demand for additional State Veterans Home beds in the area.
- The 7-acre site that will be transferred is proximate to Ambulatory Care, Surgery and other VA facilities where the residents will receive care.
- Staff has specific training in the field of geriatrics (both the VA and the University of Arizona Medical School)
- Continuity of care for veterans
- Referral base (Tucson VA serves 150,000 veterans and 5 Community-Based Outpatient Centers)
- Potential sharing opportunities through partnerships with the VA:
 - ✓ Dietetics
 - ✓ Laundry
 - ✓ Housekeeping
 - ✓ Security
 - ✓ Building Maintenance
 - ✓ Road and grounds maintenance
 - ✓ Pharmacy
 - ✓ Utilities: electricity and gas
 - ✓ Emergency power and water

There is a nationwide competition for VA state veteran home construction grants. Mr. Gardner feels that Tucson should be given the highest priority as grants are being considered.

Q: How are you addressing the needs of spinal chord injury residents – also specialized training for staff?

A: As the Tucson VA modernizes its campus, we request feedback from veteran advocates, such as Paralyzed Veterans of America. We have a spinal chord injury clinic, but more extensive services are provided in New Mexico or San Diego. There are approximately 200 patients enrolled in that program.

Q: Will you consider the layout and design of rooms to meet the needs of spinal chord injury residents?

A: Residents with a wide range of medical care needs will be considered as the facility is designed.

Veterans Benefits Counselors

After a 15 minute break, Chairman Chorpenning introduced Art Brest, State Service Officer for the American Legion Department of Arizona as well as a Veterans Benefits Counselor for the Arizona Department of Veterans' Services. Mr. Brest started his presentation by reminding the Veterans Task Force members about a VA Form 21-526 they were sent prior to the meeting. The purpose of the exercise is to illustrate the complexity of VA claims administration process. The VA Form 21-526 is the most critical document in accessing VA benefits. The instruction portion of the form is 7 pages long. None of the Veterans Task Force members were able to comply with the request because of the extensive data required to complete the form.

It is advantageous to submit the claim to the VA as soon as possible, because approved claims are paid retroactively. The form requires dates and other information not readily available to the veteran seeking benefits. Veterans frequently put off submitting the claim because they are so overwhelmed by the information requirements. Approved claims will be paid from the first day of the next month following receipt of the claim and delays result in a lower monetary award from the VA. It may take years for the claim to work its way through the VA's claim process.

VA expenditures in the Arizona economy have a profound effect on a very personal level with the individual veterans receiving benefits. Veterans with accredited representatives (certified by the VA) receive \$6,225 more per year than those veterans without representation. Mr. Brest recommended that the VA regularly provide current data to the ADVS Director.

Q: Do you feel that the information requested on the form would be easier for recently discharged personnel?

A: Frequently that is true. Without medical records and copies of the personnel file, even recently discharged personnel would have difficulty filing a claim.

Q: We know that the Veterans Benefits Counselors (VBCs) assist veterans in filing claims, but give examples of what specific actions they take.

A: VBCs interview the veteran to determine which veteran benefits may be available. Based on VA services they qualify for, the VBC assists the veteran in obtaining additional information (such as requesting military personnel and medical record files

or assisting the veteran in obtaining records from non-military sources such as Vital Records, courts, civilian physicians, etc.).

- ✓ Fred Ferguson shared a personal experience when he was working for the VA Regional Office. While VA personnel assist veterans with their claims, they are unable to counsel a veteran for unlimited amounts of time. The VA staff is limited by both regulatory restrictions and by the number of available staff available to serve veterans.
- ✓ Jon Skelly stated that the VA has a statutory mandate to serve veterans. VA personnel are prohibited from obtaining documentation and the VBCs play a critical role in collecting the necessary evidence necessary to obtain benefits. The VA Regional Office received 17,000 claims last year. While the average time to process a VA claim is 120 days nationwide, Phoenix averages 111 days from the date is received until it is decided. Mr. Skelly also clarified that a single veteran frequently submits multiple claims. While World War II veterans average 2 claims, Operation Enduring Freedom/Operation Iraqi Freedom veterans file an average of 8 claims – one for each of the number of injuries sustained during their service.
- ✓ Ted Jarvey, a local attorney, said that veterans are not able to hire someone from the private sector when they apply for VA benefits (it is a federal offense with a \$5000 penalty). The law was established during the Civil War “to protect veterans from greedy lawyers.” If the federal regulation allowed veterans to hire counsel, the private sector is capable of assisting veterans with their VA claims. Mr. Jarvey felt that the federal regulations prohibiting veterans from retaining legal counsel was unjust, especially since Social Security and other federal agencies did not forbid claimants to retain representation.

Luella Emmons, ADVS Assistant Deputy Director, provided a visual comparison of the number of Veterans Benefits Counselors to the number of veterans in each Arizona county. The average cost to employ a single VBC is around \$45,000. Since each VBC brings in \$10 million per year in federal benefits, it is a very impressive return on investment.

Ms. Emmons also indicated how difficult it was to establish reliable estimates of the number of veterans living in Arizona. The VA estimates there are 600,000 Arizona veterans, but these numbers are increasing every day. The VA Under Secretary for Benefits, Admiral Daniel Cooper, testified “in front of the Veterans Disability Benefits Commission on July 22, 2005. Since the end of 2000, he said, the number of veterans with service-connected disabilities has risen by about 13% (to almost 2.6 million) and is growing by 5000 to 7000 a month.” Ms. Emmons provided this information from the September 2005 *Military Officer* magazine.

Q: How many total VBCs are there in the state?

A: There are 37 counselors in the state of Arizona who have been certified by the VA. The Veterans of Foreign Wars has one paid certified benefits counselor. American Legion counselors are included in the 19 ADVS counselors depicted on the PowerPoint slide. Disabled American Veterans has 5 paid counselors who are certified by the VA. She indicated that it takes 3 to 5 years for a VBC to become proficient in claims administration.

Q: Does \$45000 cover the cost of the salary and office expenses?

A: Yes. This is a very generous estimate of all annual expenses.

Jon Skelly informed the Task Force that the budget for the VA Regional Office is based on the number of claims filed by veterans in Arizona. He supports additional VBCs because it is the right thing to do for Arizona veterans and will increase federal dollars coming into the Arizona economy. Additionally, the Phoenix VA Regional Office will receive additional resources to administer benefit claims.

Art Sloane asked if Arizona counties could hire VBCs and have the ADVS train them. Chairman Chorpenning said that other states have county or municipal VBCs who report to the state department of veterans' services. These other states have recognized that the federal funds that come into the economy more than offset the cost to hire VBCs. The Task Force will receive further information about how Arizona compares to other states in the next meeting.

Les Ryan, Vietnam Veterans of America, spoke of an outreach program he initiated to serve northern Arizona. He suggests that the State establish a grant program to provide support for such a program (offering an office space) so that he could provide his services as a VA-certified counselor. Chairman Chorpenning thanked him for his offer.

Overview of State Veteran Cemeteries

Following a 15 minute break, Chairman Chorpenning introduced Mike Klier, ADVS Assistant Deputy Director. He provided background about how the Southern Arizona Veterans Memorial Cemetery became operational in Sierra Vista, but Arizona veterans in other parts of the state do not have access. The VA will pay all costs to build a cemetery after Arizona has committed to fully fund the cemetery programs.

Mr. Klier likened the cemetery grant program to the purchase of a home. The VA cemetery grant program requires the State to properly fund the cemetery as its part of the agreement, just as a buyer would need to pay the monthly mortgage. If the cemeteries are not properly funded, the facility cannot provide a respectful resting place for veterans and their dependents.

Gary Noviello, Arizona Department of Veterans' Services Chief Financial Officer and Assistant Director in charge of the Fiduciary Division, discussed the financial commitment made by the Arizona Legislature in 1998. Notes in all three appropriation reports from FY 2001 through 2003 indicate the state will accept responsibilities for the cemetery's operating costs.

After a series of complex budget cuts and delays in acquiring the property from the Department of Defense, the cemetery was appropriated essentially half of what it needed to operate.

In FY 2002, a Cemetery Fund was created to be used as seed money for additional state veteran cemeteries. Because the cemetery was not adequately funded, operating costs came out of this fund and reduced the amount available.

Both the Cemetery Trust Fund (established to fund perpetual care when the cemetery is no longer accepting interments) and the Cemetery Fund (to build additional veteran cemeteries) were also used to cover operating expenses.

Q: Do you have specific plans to meet the shortfall?

A: The National Association of Departments of Veteran Affairs has been actively lobbying to increase the amount of burial benefit. Also there is no statutory authority to charge for interments of eligible dependents of the veterans. There may be opportunities to save on landscaping and other costs by using Department of Correction inmates.

Call to the Public

Chairman Chorpenning invited the audience to ask questions or make comments.

- There were 8 requests to speak and all issues were dealt with during the course of the meeting.
- One Comment/Question Request was marked "I do not wish to speak." The information will be sent to the email address at taskforce@azdvs.gov to be answered with all other questions received during the week.

Chairman Chorpenning reminded all present that issues and questions sent to the email address will be answered on a weekly basis throughout the life of the Veterans Task Force.

The next meeting will be held in the Governor's 2nd Floor Conference Room on Wednesday, November 2, 2005, from 1:00 p.m. to 4:00 p.m.

Adjournment

The meeting was adjourned at 3:58 p.m.